



PSC NEWS

Missouri Public Service Commission

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FY-04-211

PSC TO HOLD ON-THE-RECORD PRESENTATION IN EMPIRE DISTRICT ELECTRIC COMPANY INTERIM ENERGY CHARGE REQUEST

Jefferson City (June 22, 2004)---The Empire District Electric Company (Empire) is seeking Commission authority to implement an interim energy charge for customers of the southwest Missouri utility company. The interim energy charge issue is part of an electric rate case Empire filed with the Missouri Public Service Commission on April 30, 2004.

Empire is seeking to have the Commission act on the interim energy charge issue now while the rest of the rate case moves forward. In its motion, The Empire District Electric Company states that the interim energy charge is a mechanism designed to quickly pass on to ratepayers changes in the Company's natural gas costs. Empire states that natural gas is the primary fuel for more than half of Empire's generating capacity and that natural gas costs are historically very volatile.

Empire is seeking an interim energy charge of \$.004 per kWh (kilowatt-hour) on customer bills. For a residential customer using 1,000 kilowatt-hours a month, the interim energy charge would be \$4.00 a month.

The PSC Staff states that Empire's motion is, in effect, a request for interim rate relief pending the final resolution of its current rate case. Staff further notes that Empire's motion does not attempt to show that its current circumstances constitutes a financial emergency justifying immediate relief.

The Office of the Public Counsel, the state government agency charged with representing the general public before the PSC, opposes Empire's motion. The Office of the Public Counsel states granting the motion and allowing the interim energy charge to go into effect now would amount to a rate increase of approximately \$6 million without any opportunity for a hearing.

Based upon the filings from the various parties, the Commission has determined it will conduct an on-the-record presentation to receive additional information.

The on-the-record presentation will be held on **July 26, 2004**, in Room 310 of the Governor Office Building, 200 Madison Street, in Jefferson City. This building meets accessibility standards required by the Americans With Disabilities Act. If a person needs additional accommodations to participate in this on-the-record presentation, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or dial 711 for Relay Missouri prior to the hearing.

The Empire District Electric Company serves approximately 136,900 electric customers in the Missouri counties of Barry, Barton, Cedar, Christian, Dade, Dallas, Greene, Hickory, Jasper, Lawrence, McDonald, Newton, Polk, St. Clair, Stone and Taney.

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Case No. ER-2004-0570